

# **EXHIBIT B**

## **The Story of Great Wall Asset Company's Collection of 1.9 Billion Debt in Shandong**

The Financial and Economic News, June 13, 2006

"June has been basically booked up, with 8 Yuan per square meter per day." A worker at the Wei Fang Fu Hua International Exhibition Center (hereinafter referred to as "Fu Hua Exhibition") gave a skillful quote and actively solicited business for a "sister organization." "If you stay at a hotel, we have support facilities. You can stay at the three-star Fu Hua water paradise – minimum rate is 180 Yuan, or you can stay at the five-star Fu Hua Hotel – minimum rate is 540 Yuan."

At Fu Hua Exhibition, the business district of Wei Fang with the highest traffic, at its peak, more than 60,000 surged in one day, with annual business revenue of at least tens of millions of Yuan.

Whereas at another place, faced with a Wei Fang Xin Li Ke (Group) Company Ltd. (hereinafter referred to as "Xin Li Ke Group") that is almost a shell, group of workers from the financial institutions creditor organization seem to be at a total loss. As of May 2006, Xin Li Ke Group was still liable for a huge loan of 3.613 billion Yuan, of which 1.16 billion Yuan was the principal and 753 million Yuan was the interest of the loans owed to Great Wall Asset Management Company (hereinafter referred to as "Great Wall Company"), and about 1 billion Yuan was the principal and about 700 million Yuan was the interest for loans from other financial institutions such as the Bank of Agriculture and Bank of China.

Industry and commerce information shows that Fu Hua Exhibition is just a private enterprise jointly controlled by the former and current senior officers of Xin Li Ke Group. Yin Jun, former general manager, Wang Duo, current general manager and Zhou Tongju, current deputy general manager of Xin Li Ke Group, have 35% shares of Fu Hua Investment Company Ltd. (hereinafter referred to as "Fu Hua Investment"), which owns 90% of the shares of Fu Hua Exhibition. At the same time, Zhou Tongju is also the legal representative of Fu Hua Investment.

A resolution of a shareholders meeting of Shandong Bao Rui Investment (later renamed Shandong Fu Hua Investment Company Ltd. in November 2005) held in April 2004 shows that in addition to the three senior officers above, other shareholders of Fu Hua Investment also include the Xin Li Ke Group trade union committee, the Fu Hua Hotel trade union committee, the Xin Li Ke plastic trade union committee and the Wei Fang Xin Li Ke Yuan Fei Hotel Company Ltd. trade union committee, etc.

"The companies of Xin Li Ke (Group) are mostly shell companies, with an extremely complicated equity structure, which has caused enormous difficulties for our efforts to track the whereabouts of the assets." One person from a creditor organization said.

This journalist repeatedly contacted Wang duo, and he declined to be interviewed on grounds of it being inconvenient to be interviewed.

### **Bankruptcy leaves debt claims hanging in the air**

Later while "recalling past sufferings and thinking of the present happiness," officials of Xin Li Ke often made the introduction that the first sum of fund raised by the company was a 50,000 Yuan bank loan. Later, within 2 years, not only was the 50,000 loan paid off, a profit of one million Yuan was also made, which won the opportunity for further, subsequent loans.

Nine-nine percent of the shares of debtor Xin Li Ke Group are held by Wei Fang State Owned Asset Management Bureau, and it has a registered capital of 360 million Yuan. An unaudited balance sheet shows that as of June 30, 2001, the total long term liabilities of Xin Li Ke Group were 1.12 billion Yuan, of which 1.1 billion Yuan was long term loans; 2.35 billion Yuan was current liabilities, of which 1.96 billion Yuan was short term loans. It had total assets of 3.82 billion, with an asset liability ratio of 90.8%.

According to an introduction by the website of the economic information center of Shandong Provincial Committee on Economic Cooperation and Foreign Trade, Xin Li Ke Group has more than 20 wholly owned and holding enterprises, with three overseas companies in the United States, Australia and Hong Kong and more than 3,000 employees.

But in a few years, a dozen enterprises under Xin Li Ke Group went bankrupt one after another, and they even included a plastic company that has an annual revenue of about 200 million Yuan and a profit of 30 million Yuan and that is still operating normally now. Regarding this, a creditor charged that it "systematically staged a large scale debt avoidance action." But the creditor failed to provide hard evidence for this "charge."

Just in 2005 alone, companies under Xin Li Ke Group that went into bankruptcy proceedings included Wei Fang Fu Hua Xin Jian Ye Real Estate Company Ltd., Wei Fang Xin Li Ke Plastic Company Ltd. and Wei Fang Xin Li Ke Stone Material Product Company Ltd.

In March 2006, Wei Fang Municipal Intermediate Level People's Court again ruled that Wei Fang Fu Hua Hotel Company Ltd. and Wei Fang Fu Hua Amusement Park Company Ltd., core assets of Xin Li Ke Group in the past, were bankrupt and must repay debts.

In this series of bankruptcy proceedings, Great Wall Company, one of the creditors, recovered nothing.

In 2005, Great Wall Company won through a bid an asset package of more than 6 billion Yuan, which included the principal and interest totaling more than 1.913 billion Yuan for Xin Li Ke Group loans categorized as suspicious loans.

"Whether this asset package would turn a profit, the key laid with the Xin Li Ke project." A senior official of Great Wall Company said. The reason for the decision to purchase the Qingdao package from Bank of China was the company took a fancy to the fact that part of the debt claim against Xin Li Ke Group included a plot of land in Guangzhou with the right to 160 million Yuan in earnings and the subject matter of Fu Hua Hotel, on which an intent to repay debt with it had been reached.

But as of now, the right to the 160 million Yuan in earnings from this plot of land, which was frozen in November 2003, has been taken away by Wei Fang Intermediate Court on the grounds that Wei Fang Fu Hua Xin Jia Ye Real Estate Company Ltd. was bankrupt.

An informed lawyer alleged that the criminal law specified that transfer of a property already frozen by judicial organs was an illegal act, with up to three years of imprisonment for the violator. Strangely, the right to the earnings that was frozen as mentioned above has "changed hands" several times among the affiliates of Xin Li Ke Group after being frozen.

On the other hand, Fu Hua Hotel has entered bankruptcy proceedings. Once the bankruptcy becomes successful, Great Wall will suffer heavy losses.

Wen Xiantang, director of the information section of Great Wall Company, said that this was the "largest loss of state owned asset since Great Wall began to dispose of non-performing assets" and "possibly the largest loss of state owned asset among four asset management companies."

Currently, Great Wall Company is actively coordinating with the City of Wei Fang government and Xin Li Ke Group in an effort to cease the bankruptcy proceedings of Fu Hua Hotel.

The Bank of Agriculture, also a creditor, is faced with a similar fate. The Fu Hua Amusement Park was used as collateral for several hundred million Yuan in debt owed to the Bank of Agriculture by Xin Li Ke Group, but the Fu Hua Amusement Park has also currently entered bankruptcy proceedings.

#### **Enterprises in which senior officers hold shares**

However, just at a time when Xin Li Ke Group, burdened with more than 3 billion Yuan in debts, can hardly guarantee its own survival, it is very generously and actively "paying the bills" for enterprises in which senior officers of Xin Li Ke hold shares.

Take Fu Hua Exhibition, which is indirectly controlled by senior officers of Xin Li Ke Group, as an example: in March 2004, Xin Li Ke Group issued a corporate domicile certificate and provided a domicile for Fu Hua Exhibition free of charge for up to five years.

In addition, the bankruptcy of Wei Fang Fu Hua Hotel Company Ltd. of the Xin Li Ke Group was also related to Fu Hua Exhibition. One staff member of the bankruptcy liquidation group said that the direct cause of the Fu Hua Hotel bankruptcy was "Fu Hua Exhibition" was unable to repay" the installation fees of Wei Fang High and New Building Installation Company Ltd., and this transaction used a guarantee by Fu Hua Hotel for repayment.

Even the daily operations and management of Fu Hua Hotel and Fu Hua Amusement Park during the bankruptcy proceedings have been turned over to Wei Fang Ya Yue Fu Hua Hotel Company Limited and Wei Fang Bao Rui Fu Hua Amusement Park Company Limited, companies that have a close relationship with the senior officers.

This journalist discovered through investigations that Fu Hua Investment, in which senior officers of the Xin Li Ke Group hold 35% shares, respectively holds 10% shares each of Wei Fang Ya Yue Fu Hua Hotel Company Limited and Wei Fang Bao Rui Fu Hua Amusement Park Company Limited, in addition to controlling Fu Hua Exhibition.

The remaining 90% shares of these two companies are respectively held by Beijing Ya Yue Hotel Management Company Ltd. and Beijing Bai Li Tong Investment Company Ltd., where the legal representative of Ya Yue Hotel is Zhou Tongju.

At a time when enterprises of the Xin Li Ke Group go bankrupt one after another and when the group is in a precarious situation, the number of companies held under the names of senior officers of the Xin Li Ke Group is on the increase.

A piece of data of Great Wall Company shows that Zhou Tongju also holds shares of Xi Fa Asia Company Ltd. and Yin Jun also holds shares of Hong Kong Pacific Investment Company Ltd. In addition, the Xin Li Ke Group has a deputy general manager holds shares of Mai Da Shi Investment Company Ltd.

**Twenty years of rapid expansion**

The earliest origin of the Xin Li Ke Group can be traced to Wei Fang City Tourism Service Co. set up in September 1987 (hereinafter referred to as "Tourism Company") – Yin Jun and three other employees created this company with authorization from the Wei Fang Municipal Tourism Bureau. At first, it dealt in small commodities trade such as beer and cigarettes, and gradually expanded into operations in tourism and trade.

In 1989, Tourism Company was greeted with an opportunity for quick development. Toprich International Company Ltd. of the United States (hereinafter referred to as "Toprich of the United States"), started by a Chinese person, became the largest partner of the Xin Li Ke Group in the next dozen of years or so. This enterprise, which had been transformed from a small apparel company, was introduced in Wei Fang as a powerful enterprise in Los Angeles.

During the next four years, the two parties set up, one after another, multiple enterprises, including Wei Fang Fu Wei Plastic Product Company Ltd., a Sino-American joint venture; Fu Wei Decorations Company Ltd., a Sino- Hong Kong joint venture; Xin Li Ke Stone Material Product Company Ltd., a Sino-American joint venture; Fu Hua Tourism and Automobile Company Ltd., a Sino-American joint venture; Wei Cheng Hotel Company Ltd. a Sino-American joint venture; and Xin Li Ke Properties Company Ltd., a Sino-American joint venture, etc.

During this period, the Tourism Company was reorganized into Wei Fang Municipal General Tourism Development Corp. (hereinafter referred to as "Tourism Development"). In September 1993, Tourism Development again formed a group company, "Xin Li Ke" (Neo-Luck, the English name or "Xin Li Ke"), which represented expectations of Yin Jun et. al. for "new luck," became the name of the group.

Subsequently, Xin Li Ke began to dabble in the capital market. On December 25, 1996, Lu Yin Industrial (Group) Company Ltd., whose setup was sponsored by Xin Li Ke Group and four other organizations, became successfully listed on the Shanghai Stock Exchange. The Xin Li Ke Group held 6,277,500 shares, accounting for 3.06% of the total shares. In less than three years, the Xin Li Ke Group transferred the shares held thereby to Zi Bo Hong Xi Asset Operating Group Company Ltd. and withdrew totally.

But the risks of expansion also began to come out. Informed sources revealed that it was around 2000 that major banks stopped granting credit to the Xin Li Ke Group. In addition to losses caused by poor business operations, a lawyer who used to provide advice services for the structural change of Xin Li Ke, revealed that the group company's burden with numerous government projects that did not generate economic benefits and its engagement in mergers with and acquisitions of debt ridden enterprises also became an important reason for the highly risky financial status of Xin Li Ke.


This journalist also discovered through investigations that it is against such a backdrop that beginning in around 2000, Xin Li Ke reduced the number of its subsidiary enterprises from 23 to 14.

I, Xin Min Liu, being of full age and being of sound mind, depose and say the following, upon personal knowledge:

I have twenty-four year of experience as a translator (approximately 300 assignments with a source word count of 1,000,000 words), with five years experience as a translator at the United Nations prior thereto. I have been fluent in Chinese for over forty years. I am employed by Transperfect Translations International Inc., headquartered in New York, New York.

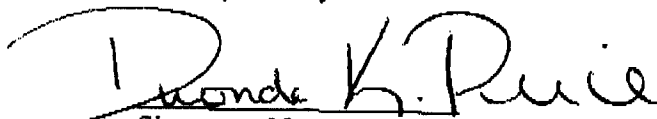
I have read the Chinese version of the document identified below and translated the document into English. I hereby certify that the following document is, to the best of my knowledge and belief, a true and accurate translation from Chinese into English.

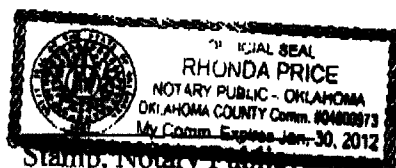
**"The Story of Great Wall Asset Company's Collection of 1.9 Billion Debt in Shandong" from *The Financial and Economic News*, June 13, 2006**

  
Xin Min Liu

Sworn to before me this

14<sup>th</sup> day of May 2008

  
Signature, Notary Public



## 长城资产公司 19 亿山东追债记

2006.6.13《财经》

“6 月份基本都排满了，每平方一天 8 元。”潍坊富华国际展览中心（下称“富华展览”）的工作人员娴熟地报价，并积极地为“兄弟单位”招揽生意，“住酒店的话，我们有辅助设施，你可以住三星级的富华水上乐园——最低价 180 元，或者五星级的富华大酒店——最低价 540 元。”在富华展览这个潍坊人流最湍急的商业区，最多时一天涌进 6 万余人，一年业务收入至少数千万元。

而在另一个地方，一群来自金融机构债权人单位的工作人员面对几近空壳的潍坊新立克（集团）有限公司（下称“新立克集团”）却手足无措。截至 2006 年 5 月，新立克集团仍承担着 36.13 亿元的巨额贷款，其中欠长城资产管理公司（下称“长城公司”）贷款本金 11.6 亿元，利息 7.53 亿元，农行、中行等其他金融机构贷款本金约 10 亿元，利息 7 亿元左右。

根据工商资料显示，富华展览正是新立克集团前任与现任高管共同控制的私人企业。由新立克集团原总经理尹军、现总经理王铎和副总经理周同巨三人持有 35% 股份的富华投资有限公司（下称“富华投资”）拥有富华展览 90% 的股份。同时，周同巨还是富华投资的法人代表。一份 2004 年 4 月召开的山东宝瑞投资有限公司（后于 2005 年 11 月改名为山东富华投资有限公司）股东会会议决议显示，除了上述三个高管，富华投资的其他股东还包括新立克集团工会委员会、富华大酒店工会委员会、新立克塑胶工会委员会、潍坊新立克鸢飞大酒店有限公司工会委员会等。

“新立克（集团）的公司大多是壳公司，股权结构极其复杂，这给我们追踪资产的流向造成了极大的困难。”一个债权单位人士说。

记者曾多次联系王铎，他以不方便接受采访为由拒绝了采访。

### **破产导致债权悬空**

新立克公司领导人在后来“忆苦思甜”时常介绍说，公司筹集的第一笔资金就是银行贷款 5 万元。后来 2 年内不但还了 5 万元贷款，还赢利百万余元，这为后续的进一步贷款博得机会。债务人新立克集团由潍坊国有资产管理局持股 99%，注册资本为 3.6 亿元。一份未经审计的资产负债表显示，截至 2001 年 6 月 30 日，新立克集团长期负债总额为 11.2 亿元，其中长期借款为 11.0 亿，流动负债为 23.5 亿元，其中短期借款为 19.6 亿，资产总额为 38.2 亿，资产负债率为 90.8%。

据山东省经济贸易委员会经济信息中心网站介绍，新立克集团旗下拥有全资和控股企业 20 余家，在美国、澳大利亚和香港设有三家海外公司，拥有员工 3000 多人。

但几年间，新立克集团旗下十几户企业相继破产。其中甚至包括一家年收入 2 亿元左右，利润 3000 万元，且目前仍在正常经营的合资塑胶公司。对此，有债权人指责其为“有计划地实施了大规模的破产逃债行动”。但该债权人未能为这一“指责”提供确实的证据。

2005 年，新立克集团旗下进入破产程序的公司就有潍坊富华新建业房地产有限公司、潍坊新立克塑胶有限公司、潍坊新立克石材制品有限公司。

2006 年 3 月，新立克集团过去的核心资产——潍坊富华大酒店有限公司、潍坊富华游乐园有限公司又被潍坊市中级人民法院裁定破产还债。

在这一系列的破产过程中，债权人之一的长城公司颗粒无收。

2005 年长城公司从中国银行竞得一个 60 多亿元的资产包——其中包括划为可疑类贷款的新立克集团的贷款本金及利息共 19.13 亿元。

“这个资产包是否能盈利，关键在于新立克项目。”长城公司一位高层说，下决心买下中行青岛包，就是看中新立克集团的债权有广州一块土地 1.6 亿元的收益权以及已达成抵债意向的

标的物富华大酒店。

但如今，这块 2003 年 11 月已被冻结的 1.6 亿元的土地收益权已经被潍坊中院以潍坊富华新建业房地产有限公司破产为由划转走了。

一位知情律师称，刑法规定，转移已被司法机关冻结的财产为违法行为，违者最高可处三年有期徒刑。奇怪的是，上述被冻结的收益权，居然在冻结后还在新立克集团关联公司之间几经“倒手”。

另一方面，富华大酒店已经进入破产程序。一旦破产成功，长城公司将损失惨重。

长城公司新闻处处长文显堂说，这是“长城不良资产处置历史以来最大金额的国有资产流失案”，“也很有可能是四家资产管理公司中最大的国有资产流失案”。

目前，长城公司正在积极与潍坊市政府、新立克集团协调，争取中止富华大酒店的破产程序。

同为债权人的农行也面临着同样的命运。富华游乐园为新立克集团欠农行的数亿债务设立了担保，但富华游乐园目前也已进入破产程序。

### 高管持股企业

然而，就在背着 30 多亿债务的新立克集团自身难保之际，却非常慷慨地为新立克高管持有股份的企业积极“买单”。

以新立克集团高管间接控制的富华展览为例：2004 年 3 月，新立克集团出具公司住所证明，无偿为富华展览提供住所，免费使用期长达五年。

另外，新立克集团旗下的潍坊富华大酒店有限公司的破产也与富华展览有关。破产清算组的一位工作人员说，富华大酒店破产的直接起因是富华展览“无力偿还”潍坊高新建筑安装有限公司的安装款，而这笔交易系由富华大酒店提供还款担保。

就连富华大酒店、富华游乐园破产期间的日常经营管理也交由与高管关系密切的公司——潍坊雅悦富华酒店管理公司和潍坊宝瑞富华游乐园有限公司负责。



记者在调查中发现，新立克集团高管持有 35%股份的富华投资除控制着富华展览之外，还分别持有潍坊雅悦富华酒店管理公司和潍坊宝瑞富华游乐园有限公司各 10%的股份。

这两家公司另外 90%的股份分别由北京雅悦酒店管理有限公司和北京百利通投资有限公司持有。其中，雅悦酒店的法人代表为周同巨。

在新立克集团旗下企业纷纷破产、集团岌岌可危的同时，新立克集团高管名下的公司却越来越多。

长城公司的一份资料显示，周同巨还持有新发亚洲有限公司股份，尹军还持有香港太平洋投资有限公司股份。此外，新立克集团尚有一位副总经理持有励达事投资有限公司股份。

## 二十年之快速扩张

新立克集团的前身最早可以追溯到成立于 1987 年 9 月的潍坊市旅游服务公司( 下简“旅游公司”)——尹军和另外三名员工在潍坊市旅游局的授权下创立了这个公司，起初经营啤酒、香烟等小商品贸易，后来逐步扩大旅游业与贸易经营。

1989 年，旅游公司迎来了快速发展的机遇。由华人创办的美国鑫富国际有限公司( 下称“美国鑫富”)成为此后十来年中新立克集团最大的合作伙伴。这家最早由一家小服装公司转型而来的企业，被作为洛杉矶实力雄厚的企业介绍到潍坊。

此后的四年间，双方合资陆续成立了中美合资潍坊富潍塑胶制品有限公司、中港合资富潍装饰有限公司、中美合资新立克石材制品有限公司、中美合资富华旅游汽车有限公司、中美合资伟成大酒店有限公司和中美合资新立克置业有限公司等多家企业。

在此阶段，旅游公司改组成为潍坊市旅游发展总公司( 下称“旅游发展”)。1993 年 9 月，旅游发展又组建成立了集团公司，代表着尹军等人对“新运气”的企盼的“新立克”( Neo-Luck，即“新立克”英文名) 成为集团的新名字。

此后新立克开始涉足资本市场。1996 年 12 月 25 日，由新立克集团和其他四家单位发起成

立的鲁银实业(集团)股份有限公司在上海证券交易所成功上市,新立克集团持有 6277500 股,占总股本的 3.06%。不过不到三年时间,新立克集团就将所持股份转让给淄博宏信资产经营集团有限公司,完全退出。

然而扩张的风险也开始暴露。知情人透露,2000 年前后,各大银行就已经停止了对新立克集团的授信。除了经营不力导致亏损外,曾经为新立克改制提供咨询服务的一位律师透露,由于集团公司发展过程中背负了众多无经济效益的政府工程以及对高负债企业进行的兼并,也是致使新立克的财务状况处于高危状态的一个重要原因。

记者调查发现,正是在这种背景下,从 2000 年左右开始,新立克将下属企业 23 家削减为 14 家。